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November 14, 1007

Mr. Eddie Roberson, Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

filed electronically in docket office on 11/14/07

Docket No. 07-00255

In re: Petition of Ben Lomand Rural Telephone Cooperative, Inc.; Ben Lomand Communications, Inc.; and Ben Lomand Holdings Incorporated For Approval of an Internal Corporate Reorganization

Dear Chairman Roberson:

Attached is the Petition seeking approval of a corporate reorganization involving wholly owned subsidiaries of Ben Lomand Rural Telephone Cooperative, Inc.

The Petitioners seek to consummate this transaction by the end of the year and therefore seek TRA approval no later than the last Directors Conference in December, 2007.

Sincerely,



H. LaDon Baltimore  
Counsel for Petitioners

IN THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE

IN RE:	)	
	)	
PETITION OF BEN LOMAND	)	
RURAL TELEPHONE COOPERATIVE, INC.;	)	
BEN LOMAND COMMUNICATIONS, INC.;	)	
VOLUNTEER FIRST SERVICES, INC.;	)	DOCKET NO. _____
BEN LOMAND COMMUNICATIONS, LLC;	)	
and VOLUNTEER FIRST SERVICES, LLC	)	
FOR APPROVAL OF AN INTERNAL	)	
CORPORATE REORGANIZATION AND	)	
TRANSFER OF CERTIFICATES OF	)	
CONVENIENCE & NECESSITY	)	

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**PETITION OF BEN LOMAND RURAL TELEPHONE  
COOPERATIVE, INC.; BEN LOMAND COMMUNICATIONS, INC.;  
VOLUNTEER FIRST SERVICES, INC.; BEN LOMAND COMMUNICATIONS, LLC;  
and VOLUNTEER FIRST SERVICES, LLC FOR APPROVAL OF AN  
INTERNAL CORPORATE REORGANIZATION AND TRANSFER OF  
CERTIFICATES OF CONVENIENCE AND NECESSITY**

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Ben Lomand Rural Telephone Cooperative, Inc. ("Ben Lomand"); Ben Lomand Communications, Inc. ("BLC Inc."); Volunteer First Services, Inc. ("Vol First Inc."); Ben Lomand Communications, LLC ("BLC LLC") and Volunteer First Services, LLC ("Vol First LLC") by their undersigned counsel and pursuant to Tenn. Code Ann. § 65-4-113, hereby respectfully request authority from the Tennessee Regulatory Authority ("TRA" or "Authority"), to the extent it may be required, to consummate an internal corporate reorganization, as described in more detail below, whereby Vol First Inc. will be the sole owner of BLC LLC and Vol First LLC which will provide the telecommunication services now provided by BLC Inc. and Vol First Inc., respectively.

The internal reorganization will simplify Ben Lomand's corporate structure, streamlining its operations, eliminating administrative redundancy, improving overall efficiency and reducing

tax burdens. BLC LLC and Vol First LLC will provide service to the existing customers of BLC Inc. and Vol First Inc., respectively, pursuant to their authorizations under the same rates, terms, and conditions. Accordingly, this transaction will be transparent to the customers of BLC Inc. and Vol First Inc. (The only change in names will be “Inc.” to “LLC”, of insignificance to the customers).

Due to the timing of the Petitioner’s business plans, it is respectfully requested that the Authority take any action necessary to approve this Petition at its earliest convenience and, in any event, no later than the last Directors Conference in December, 2007.

In support of this Petition, the Petitioners provide the following information:

**I. PETITIONERS**

1. Ben Lomand is a telephone cooperative as defined in Tenn. Code Ann. § 65-29-102 and serves customers in the Tennessee counties of White, Warren, Van Buren, Grundy, and portions of Franklin, Coffee, and Bedford. Ben Lomand’s principal offices are located at 311 N. Chancery Street, McMinnville, Tennessee 37111-0670.

2. BLC Inc., a wholly owned subsidiary of Ben Lomand, is a diversified telecommunications company, duly certified to do business in the State of Tennessee by the Authority through the grant of a Certificate of Convenience and Necessity and by franchises from the subject cities to furnish local exchange telecommunications, primarily telephone services, in the cities of McMinnville and Sparta.

3. Vol First Inc., a wholly owned subsidiary of Ben Lomand, is a Tennessee corporation with its principal office located at 235 O’Brien Drive, Crossville, Tennessee 38557. Vol First Inc. is duly authorized by the Authority to provide all forms of facilities-based and resold local exchange and interexchange telecommunications services. In

addition, Vol First Inc. operates as an Internet Service Provider as well as providing other enhanced data services.

4. BLC LLC, a wholly owned subsidiary of Vol First Inc., is a Tennessee limited liability corporation formed to acquire the assets of BLC Inc. in order to provide the diversified telecommunications services now provided by BLC Inc. The management, financial and technical capabilities of BLC Inc. will be retained by BLC LLC. The Articles of Incorporation will be furnished as a late-filed exhibit.

5. Vol First LLC, a wholly owned subsidiary of Vol First Inc., is a Tennessee limited liability corporation formed to acquire the assets of Vol First Inc. in order to provide the diversified telecommunications services now provided by Vol First, Inc. The management, financial and technical capabilities of Vol First Inc. will be retained by Vol First LLC. The Articles of Incorporation will be furnished as a late-filed exhibit.

6. A diagram showing the current corporate structure of Ben Lomand is appended hereto as Exhibit A.

## **II. DESIGNATED CONTACTS**

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### III. DESCRIPTION OF THE TRANSACTION

The Petitioners shall complete a transaction through which BLC Inc., presently a wholly owned subsidiary of Ben Lomand, will become a wholly owned subsidiary of Vol First Inc., which is also a wholly owned subsidiary of Ben Lomand. Such transfer of ownership will occur by the transfer of Vol First Inc. stock to Ben Lomand in exchange for Ben Lomand's stock holdings in BLC Inc. Vol First Inc. will transfer the assets (including the Certificates of Convenience and Necessity ("CCN") of BLC Inc. and Vol First Inc. to two new, wholly owned subsidiaries of Vol First Inc.: BLC LLC and Vol First LLC, respectively. The management of BLC Inc. and Vol First Inc. will be retained as management of BLC LLC and Vol First LLC. The management, financial and technical abilities of BLC Inc. and Vol First Inc. will be those of BLC LLC and Vol First LLC. Vol First Inc. will be a holding company and will not directly provide any telecommunication services in Tennessee. Upon completion of these transactions, Vol First Inc. will change its name to Ben Lomand Holdings, Inc.

In summary:

1. Ben Lomand will exchange the stock of BLC Inc. to Ben Lomand's wholly owned subsidiary Vol First Inc. in a stock merger.
2. Vol First Inc. will transfer the assets, including the CCN, of BLC Inc. to BLC LLC, a wholly owned subsidiary of Vol First Inc.
3. Vol First Inc. will transfer its telecommunications assets, including its CCN, to Vol First LLC, a wholly owned subsidiary of Vol First Inc.
4. Vol First Inc. will be a holding company and will not directly provide any telecommunication services in Tennessee. Upon completion of the above transactions, Vol First Inc. will change its name to Ben Lomand Holdings, Inc.

The proposed change of ownership of BLC Inc. from Ben Lomand to Vol First Inc. and the transfer of assets and CCNs of BLC Inc. and Vol First Inc. to BLC LLC and Vol First LLC, respectively, will have no adverse impact on customers. BLC Inc. and Vol First Inc. customers will continue to receive their existing services at the same rates, terms, and conditions that they have prior to the transfer and any future changes in the rates, terms, and conditions of service will be made consistent with the Authority requirements. Thus, the customers will not experience any change in their telecommunications services. The change of names (“Inc.” to “LLC”) will be little-noticed and insignificant to the customers of BLC Inc. and Vol First Inc.

A diagram showing the corporate structure of Ben Lomand post-transaction is attached hereto as Exhibit B.

#### **IV. PUBLIC INTEREST CONSIDERATIONS**

The proposed internal reorganization will serve the public interest. As noted above, the reorganization will be transparent to the customers of BLC Inc. and Vol First Inc. and will have no adverse impact on such customers. The customers will continue to receive the same services at the same rates, terms, and conditions of service. The reorganization will be entirely transparent to such customers. The Petitioners expect that the transaction will yield substantial operational and financial benefits to the combined companies. Ultimately, consumers will benefit from a greater number of products and services in addition to more efficient prices as a result of the streamlined company.

Upon completion of the internal reorganization, the ultimate ownership of the subsidiaries of Ben Lomand will be identical to its existing ownership, Ben Lomand. Thus, there should be no question about the qualifications of Vol First Inc., BLC LLC, Vol First LLC and

their ultimate parent, Ben Lomand, to operate in the public interest as the reorganization will not cause any meaningful change in the ownership, financial condition, or services of the Petitioners.

## V. CONCLUSION

Based on the foregoing, Petitioners respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Petition. Petitioners respectfully request approval no later than the last December, 2007 Directors Conference so that they may meet critical business objectives.

THEREFORE, Petitioners respectfully request the Authority to:

1. Approve transfer of ownership of BLC Inc. to Vol First Inc.;
2. Approve transfer of the CCN and assets of BLC Inc. to BLC LLC;
3. Approve transfer of the CCN and assets of Vol First Inc. to Vol First LLC;
4. Approve the name change of Volunteer First Services, Inc. to Ben Lomand Holdings, Inc.; and
5. Grant such other and further relief to which they may be entitled.

Respectfully submitted,



H. LaDon Baltimore, BPR #003836

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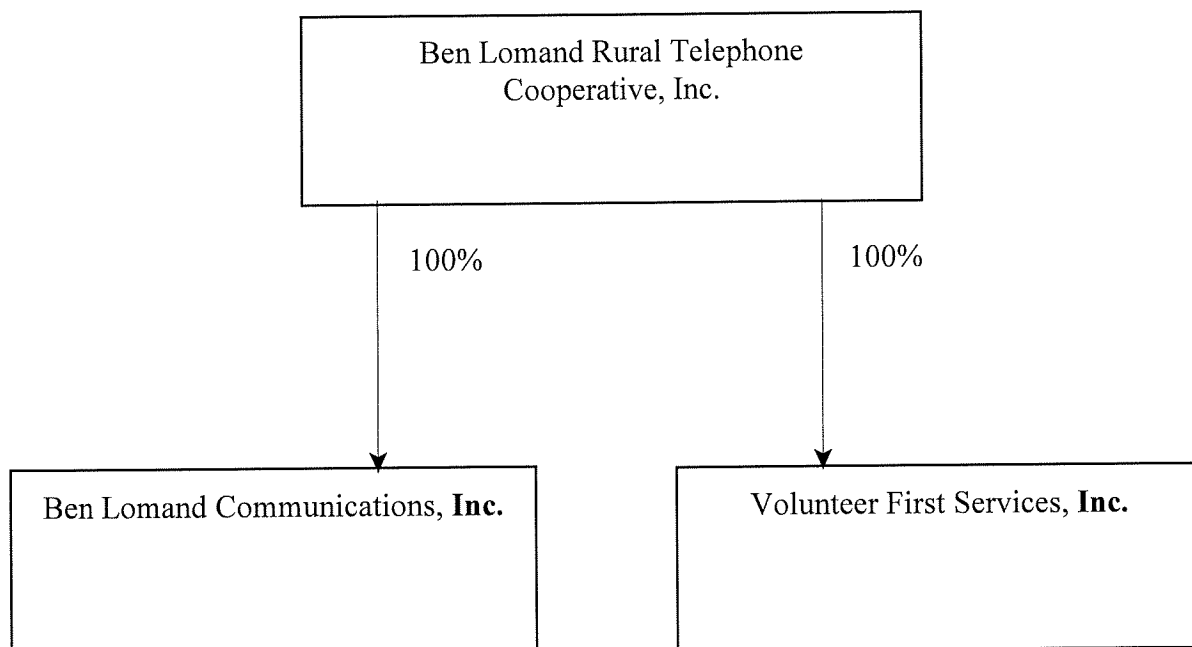
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*Counsel for Petitioners*

EXHIBIT A

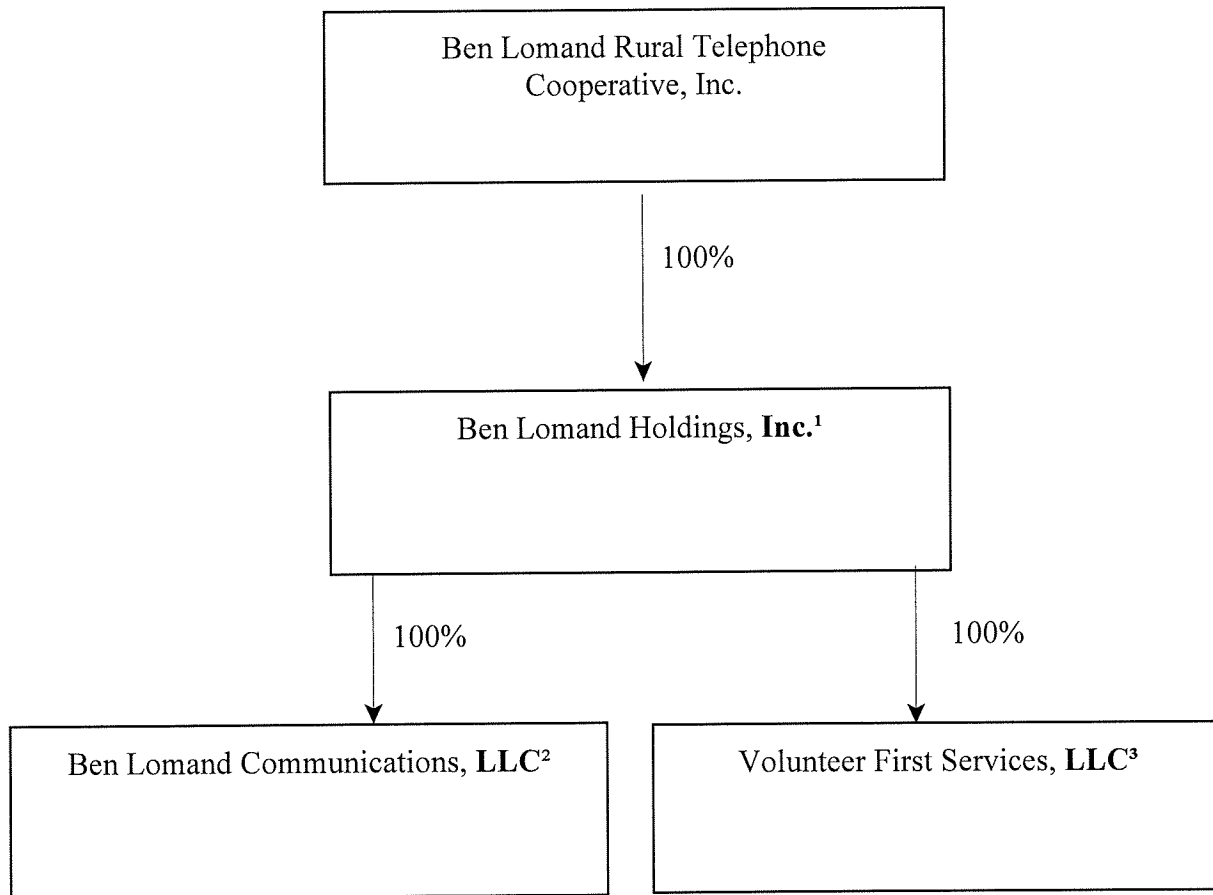
CURRENT CORPORATE STRUCTURE





## EXHIBIT B

### CORPORATE STRUCTURE POST-TRANSACTION



1. Volunteer First Services, **Inc.** will change its name to Ben Lomand Holdings, **Inc.**
2. Assets of Ben Lomand Communications, **Inc.** will be transferred to Ben Lomand Communications **LLC**, which will provide telecommunications services.
3. Assets of Volunteer First Services, **Inc.** will be transferred to Volunteer First Services, **LLC**, which will provide telecommunications services.